



State of Tennessee Council on Pensions & Insurance

**Adopted Policies & Procedures
110th General Assembly**

February 5, 2018

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COUNCIL MEMBERSHIP

Updated February 5, 2018

Council membership is set by TCA 3-9-101.

Council Members:

Chair: Representative Charles Sargent

Vice-Chair: Senator Bo Watson

Council Secretary: Jamie Wayman, TCRS Director

Senator Todd Gardenhire

Senator Thelma Harper

Senator Mark Norris

Senator John Stevens

Senator Joey Hensley

Representative Kevin Brooks

Representative Kent Calfee

Representative Karen Camper

Representative Craig Fitzhugh

Representative Gerald McCormick

Representative Steve McDaniel

Lieutenant Governor Randy McNally (*ex officio*)

Speaker Beth Harwell (*ex officio*)

Comptroller Justin Wilson (*ex officio*)

Treasurer David Lillard (*ex officio*)

Commissioner of Human Resources Rebecca Hunter
(*ex officio*)

Commissioner of F&A Larry Martin (*ex officio*)

GOVERNING STATUTE

3-9-101. Creation - Membership.

(a) There is hereby created a council on pensions and insurance to be composed of the following members, ex officio:

- (1) The speaker of the senate;
- (2) The speaker of the house of representatives;

(3) The chair, chair emeritus and first vice chair of the committee on finance, ways and means of the senate; provided, that, if the office of the chair emeritus is vacant, the second vice chair;

(4) The chair, vice chair and subcommittee chair of the committee on finance, ways and means of the house of representatives;

- (5) The comptroller of the treasury;
- (6) The commissioner of finance and administration;
- (7) The commissioner of personnel;
- (8) The state treasurer;
- (9) The director of retirement;

(10) Three (3) members of the senate finance, ways and means committee, appointed by the chair of that committee and approved by the speaker of the senate; and

(11) Three (3) members of the house finance, ways and means committee to be appointed by the chair of that committee and approved by the speaker of the house of representatives.

(b) The three (3) members appointed from the house finance, ways and means committee and the three (3) members appointed from the senate finance, ways and means committee shall serve for their full term of office as members of the general assembly and until their successors are selected and qualified if reelected to either house of the general assembly. Members are eligible to succeed themselves as members of the committee. As terms expire, successors shall be selected during the fifteen-day organizational session of the general assembly.

(c) Vacancies among the six (6) appointed members shall be filled in the same manner as in the original selection of members; provided, that if a vacancy occurs during a period of time when the general assembly is no longer in existence, the speaker of the respective bodies shall fill such vacancies.

(d) (1) All legislative members of the council on pensions and insurance shall be voting members; provided, that the recommendations of any nonlegislative members of the committee attending any meeting of the council shall be made a part of the minutes.

(2) A quorum shall consist of seven (7) voting members.

(3) No member of the council shall have a vote except elected representatives or senators and these votes must be public.

(4) The speaker of the senate may designate a member of the senate and the speaker of the house of representatives may designate a member of the house of representatives to serve as alternates to vote or otherwise act at council meetings in the absence of the respective speaker. A speaker participating in a council meeting through a designee shall be deemed present at such meeting for purposes of quorum requirements and voting.

(e) The council shall elect from its members a chair, vice chair and any other officers as it considers necessary except the director of retirement, who shall serve as secretary of the council. The division of retirement shall furnish all secretarial, professional, technical and clerical services as required by the council; provided, that all professional and technical services relative to state insurance program issues shall be furnished by the state insurance staff as required by the council.

(f) The council on pensions and insurance shall meet until the new members are duly appointed. The council on pensions and insurance can be called into session at any time by the chair or by a quorum of the council.

(g) All bills pertaining to retirement and state insurance programs shall be referred to this committee for recommendation.

(h) Members of the council on pensions and insurance who are also members of the general assembly shall each receive the same per diem and travel allowance provided by law for members of the general assembly in attending meetings of the general assembly and committees thereof.

(i) For purposes of this chapter, state insurance programs means all insurance programs administered by the state insurance committee or the local education insurance committee pursuant to title 8, chapter 27.

3-9-102. Powers and duties.

(a) The council is authorized to establish its own rules, regulations and procedures and directed to:

(1) Develop, establish and recommend pension and insurance standards and a coherent state policy on pensions and insurance, grounded in progressive and fundamental principles;

(2) Continuously survey pension and insurance developments in other governments, in industry and business and periodically reappraise the state's policy and standards in view of such developments and changing economic and social conditions;

(3) Continuously maintain a critical analysis of the federal social security program and evaluate its objectives and accomplishments;

(4) Appraise pension and insurance provisions in force in Tennessee from time to time, along with those in other states and recommend such changes as considered necessary or advisable in the state's laws;

(5) Review proposals from other sources for changes in the state's laws and transmit recommendations concerning them to the general assembly and the governor;

(6) Submit suggested legislation or amendments to the general assembly and governor for the purpose of carrying out its recommendations; and

(7) Adopt committee amendments as appropriate in regard to any proposed change in the state's law.

(b) The role of the council on pensions and insurance, in reviewing the state insurance program, shall not include the administrative or day-to-day operations of the state insurance programs, including, but not limited to, the selection of vendors to provide services and the resolution of benefit disputes.

3-9-103. Review of pension and retirement system bills.

(a) Whenever any bill is introduced in the general assembly proposing to establish a new pension system or to make any change in an existing system, or to make any change in the law which may have a financial impact on the Tennessee consolidated retirement system, the bill shall be referred to the council and to a standing committee; provided, that no action shall be taken on the bill by the standing committee until the council reports its recommendation and the actuarial cost of the bill.

(b) Any bill which creates financial liability on the Tennessee consolidated retirement system or on any superseded system must contain the manner of funding for such liabilities created by the bill.

(c) Whenever the council recommends a bill for passage only with the adoption of an amendment or amendments approved by a majority vote of the council, the council shall cause such committee amendment or amendments to be prepared in proper form and filed with the chief clerks of both houses of the general assembly in advance of any consideration of the bill on the floor and in the standing committee. The chief clerks of both houses shall cause the recommended amendment or amendments to be reproduced and placed upon the desk of all members of their respective houses and also upon the desk of all members of the standing committee of their respective houses. Bills reported out of the council shall not be considered by a standing committee unless the committee amendment of the council is attached to the bill.

(d) The council shall not report for approval any bill which creates additional financial liabilities on the Tennessee consolidated retirement system or on any superseded system unless such bill is preceded by or accompanied by an appropriation bill or appropriate amendment prepared and attached, which provides the first year's funding, determined actuarially. However, technical adjustments accompanied by coincidental costs which are found necessary by the state's actuary may be made without regard to this section.

(e) If a bill comes before the council without appropriate funding, the council may receive recommendations to provide for funding based on the above criteria. Consideration shall be given to increasing employee contributions to cover any additional costs.

(f) All bills referred to the council shall be reported back to the standing committee to which they were assigned no later than five (5) weeks after the later of the dates adopted by the house of representatives or the senate for cutting off the introduction of new bills with appropriate amendments attached.

3-9-104. Bills establishing or changing insurance programs.

(a) Whenever any bill is introduced in the general assembly proposing to establish a new insurance program, or to make any change in any existing program, the bill shall be referred to the council and to a standing committee; provided, that no action shall be taken on the bill by the standing committee until the council reports its recommendation and the cost of the bill.

(b) Whenever the council recommends a bill for passage only with the adoption of an amendment or amendments approved by a majority vote of the council, the council shall cause such committee amendment or amendments to be prepared in proper form and filed with the chief clerks of both houses of the general assembly in advance of any consideration of the bill on the floor and in the standing committee. The chief clerks of both houses shall cause the recommended amendment or amendments to be reproduced and placed upon the desks of all members of their respective houses, and also upon the desk of all members of the standing committee of their respective houses. Bills reported out of the council shall not be considered by a standing committee unless the committee amendment of the council is attached thereto.

(c) All bills referred to the council shall be reported back to the standing committee to which they were assigned no later than five (5) weeks after the later date of the dates adopted by the house of representatives or the senate for cutting off the introduction of new bills with appropriate amendments attached.

POLICIES & PROCEDURES

SECTION I. CALENDARS

- A.** The Chair and Vice-Chair will make announcements on the floor of their Chambers bringing members' attention to the next meeting of the Council and shall request that the meetings be added to the weekly calendars.

- B.** Each calendar must be created by the Council Secretary in electronic format.

The Council Secretary must work with the Chief Clerks of both Chambers to develop a recognizable calendar format that must be used consistently as a template. The template must appear similar to committee calendars of the Senate and House of Representatives.

- C.** The Council Secretary must coordinate with the Chief Clerks of both Chambers to determine the proper locations to post paper copies of the Council calendar. The Council Secretary must post a paper copy of every calendar the same day the electronic version is distributed.

- D.** The Council must set its calendar 11 days prior to a planned Council meeting. The Council Secretary must distribute the calendar to everyone on the House and Senate "calendar" email distribution lists no later than 6 calendar days prior to the next meeting of the Council. The Council calendar must be identified as the subject of the correspondence to assist members and staff with identifying the nature of the correspondence.

- E.** When the Council Secretary distributes an upcoming calendar any amendments filed on bills appearing on that calendar must be attached.

- F.** It is the responsibility of the Council Secretary to communicate with the Chief Clerks of both Chambers on a weekly basis to keep them informed of upcoming meeting dates and provide them with the upcoming calendars. The Council requests that the calendars be made available on the General Assembly's website.

- G.** Each calendar shall contain the statement, "Sponsors are restricted to one (1) roll per bill". The statement shall appear on the first page of the calendar in large, bold font.

SECTION II. NOTIFICATION

- A.** As soon as a state agency associated with the Council determines a bill is statutorily required to be referred to the Council, the Council Secretary must inform the sponsor and Chief Clerks of both Chambers, via electronic notification, why they believe the bill is statutorily required to be heard by the Council. State agencies must use consistent and detailed language in their descriptions.

Notification must occur within 5 days after the later of the dates adopted by the House of Representatives or the Senate for cutting off the introduction of new bills.

- B.** Once it has been determined that a bill will be placed on a specific Council calendar, the Council Secretary shall notify the sponsors and their staff of the date the bill will be heard via electronic and telephonic notification.

SECTION III. AMENDMENTS

- A.** The Council must only consider amendments proposed by voting members of the Council and sponsors of bills before the Council. Language presented to the Council by a representative of a state agency will not be considered as a valid amendment. Any amendments proposed by voting members of the Council or the sponsors of a bill before the Council must be filed with the Council Secretary and made available to the Council upon consideration.
- B.** The Council shall only consider amendments drafted and barcoded by the Office of Legislative Legal Services. However, verbal amendments may be allowed at the discretion of the Chair.
- C.** Any voting or non-voting member of the Council offering amendatory language must inform the sponsor of the bill.
- D.** All amendments must be filed with the Council Secretary by the Tuesday prior to the date the bill is scheduled to be heard.
- E.** Immediately following the Council recommendation of an amendment to a bill or making a recommendation on a bill, the Council Secretary must send electronic notification to the House/Senate sponsors. All House and Senate Research Analysts must be copied on this notification. This notification must include:
 - the bill numbers,
 - the Council recommendation, and
 - the draft ID's of any amendments recommended by the Council.
- F.** It is the responsibility of the Council Secretary to communicate regularly with the Office of Legislative Legal Services staff to ensure Council amendments are in proper order.

SECTION IV. PARLIMENTARY PROCEDURES

- A.** In the event of a parliamentary question the Chair may request the Chief Parliamentarian rule on the issue in question. The Mason's Manual of Legislative Procedure shall apply wherever appropriate.
- B.** The Council must restrict sponsors to 1 roll. The Council must not allow "Council rolls"; however, the Chair has the discretion to make a determination on a case-by-case basis. If the Chair permits a "Council roll", there shall be no penalty to the Sponsor or their bill.
- C.** Bills must be reported out of Council with only the following actions: (1) recommend for passage, or 2) recommend against passage, or 3.) recommend for passage with amendment, or 4.) recommend against passage with amendment.

Any bill heard by the Council but receiving no motion shall receive an automatic recommendation against passage.

Per TCA 3-9-103(f) and 3-9-104(c), bills remaining in Council must be returned to the standing committees five (5) weeks after the latest bill filing deadline. In accordance with parliamentary law, bills referred to the Council but never placed on calendar will not receive a recommendation of any type; however, in accordance with TCA 3-9-103(a) and 3-9-104(a), those bills cannot be acted on in standing committees.

- D.** Policies & Procedures must be adopted by the Council at the first meeting of the Council in the first year of every General Assembly. Changes to the Policies & Procedures during a General Assembly may be made by majority vote of the voting members of the Council.
- E.** The Council acknowledges it has been the historical practice of the Council to nominate and elect the Chairman of the Senate Finance, Ways & Means committee and the Chairman of the House Finance, Ways & Means committee to serve as the Chairman and Vice-Chairman. If the Council chooses to continue this practice, the Chairmanship must rotate between House and Senate Chambers every General Assembly.